

Message Text

CONFIDENTIAL

PAGE 01 MOSCOW 01438 311731Z
ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 USIA-06 AID-05 EB-08 NSC-05
CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 FRB-03
XMB-02 COME-00 CIAE-00 INR-07 NSAE-00 L-03 SAJ-01
/077 W

-----312120Z 125405 /73

R 311500Z JAN 77
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 3658
AMEMBASSY BELGRADE
AMEMBASSY BERLIN
USMISSION BERLIN
AMEMBASSY BUCHAREST
AMEMBASSY BUDAPEST
AMEMBASSY LONDON
USMISSION NATO
AMEMBASSY OTTAWA
AMEMBASSY PRAGUE
AMEMBASSY SOFIA
AMEMBASSY VIENNA
AMEMBASSY WARSAW

C O N F I D E N T I A L MOSCOW 1438

E.O. 11652: GDS
TAGS: EFIN, COMECON
SUBJECT: IIB REPORTEDLY CONSIDERING GOING TO MARKET AGAIN

REFS: MOSCOW 1378 AND PREVIOUS

SUMMARY: A WESTERN BANKING OFFICIAL VISITING MOSCOW REPORTED
IN STRICTEST CONFIDENCE THAT THE INTERNATIONAL INVESTMENT
BANK (IIB) IS CONSIDERING GOING TO THE MARKET IN THE SECOND
QUARTER OF 1977. SOURCE, WHOSE BANK WAS NOT INVOLVED IN
ABORTED INTERNATIONAL BANK FOR ECONOMIC COOPERATION (IBEC)
LOAN, EXPRESSED VIEW THAT SIMILAR LEGAL CONSIDERATIONS WILL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MOSCOW 01438 311731Z

APPLY TO AND COMPLICATE ANY NEW IIB BORROWING. END SUMMARY.

1. THE VICE PRESIDENT OF AN AMERICAN BANK BASED IN LONDON
TOLD E/C COUNSELOR JANUARY 31 THAT A MEDIUM-LEVEL IIB
OFFICIAL WITH WHOM HE SPOKE LAST WEEK MENTIONED LIKELIHOOD
IIB WOULD COME TO MARKET IN SECOND QUARTER OF 1977. NO
SUM OR PURPOSE WAS INDICATED, BUT WHEN SOURCE CAUTIONED

AGAINST ANY NEW BORROWING BEYOND \$200 MILLION, THE OFFICIAL INDICATED THAT THIS COINCIDED WITH IIB'S OWN THINKING. SUBJECT OF RECENTLY ABORTED IBEC LOAN DID NOT ARISE IN THIS DISCUSSION.

2. SOURCE, WHO ALSO VISITED IBEC WHILE IN MOSCOW, SAID THAT IF PRESENT LEGAL IMPASSE OVER BANK REGISTRATION IS NOT RESOLVED, HIS OWN BANK WOULD NOT BE WILLING TO ORGANIZE THE SYNDICATE FOR IIB. HE THOUGHT HIS BANK'S LAWYERS WOULD REACH SAME CONCLUSION AS BANK OF AMERICA(S. ASKED IF CONTINENTAL BANKS MIGHT BE MORE FLEXIBLE, SOURCE SPECULATED THAT IIB MIGHT WELL TURN TO GERMANS. HE MENTIONED THAT IN A PREVIOUS IIB BORROWING, THE DEUTSCHE BANK HAD TRIED TO HAVE THE AGREEMENT SITED IN LUXEMBOURG, RATHER THAN LONDON, BUT HAD GIVEN IN TO THE STRONG OPPOSITION OF AMERICAN BANKS UNFAMILIAR WITH THE LAWS OF LUXEMBOURG.
TOON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, BANK LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 31-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MOSCOW01438
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770034-0524
Format: TEL
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977013/aaaaabyt.tel
Line Count: 79
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 41fb60d3-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 MOSCOW 1378
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3536334
Secure: OPEN
Status: NATIVE
Subject: IIB REPORTEDLY CONSIDERING GOING TO MARKET AGAIN
TAGS: EFIN, UR, COMECON, INTERNATIONAL INVESTMENT BANK
To: STATE BELGRADE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/41fb60d3-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009